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AUTHOR Stahl, Wayne K.
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ABSTRACT

The development of control over and coordination of higher education at the state level in Illinois during the first half of the twentieth century is discussed, and events leading up to the creation of the Illinois State Board of Higher Education in 1961 are outlined. The development of the board's authority and power in the areas of new program approval, existing program review, budgetary control and review, master planning (including creation of systems of governance), and administration of state and federal aid programs are analyzed. The board is described as successful, and this success is attributed to highly dedicated and talented board members, chairmen, directors, and staff; good coordination and communication within the board's organization and between the board, the state governor's office, the legislature, and the institutions of higher education; and a creative and forceful interpretation of the statutes creating the board and defining its role and authority. (PGD)

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THE ILLINOIS BOARD OF HIGHER EDUCATION: THE HISTORY OF A STRONG STATEWIDE COORDINATING AGENCY

Wayne K. Stahl

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INTRODUCTION

Decades of institutional rivalries, inequalities among institutions, overt conflicts in the legislature, and studies on coordination culminated in the creation of the Illinois Board of Higher Education on August 22, 1961. The General Assembly originally delegated to the Board three areas of responsibilities: approval, disapproval or modification of new programs, including units of instruction, research, or public service; budget review and recommendations; and statewide planning. The administration of State and Federal aid programs is a fourth responsibility that has been added through legislative amendments, Acts, and executive orders. Since 1961 the Board and its staff have interpreted and implemented Board policies in such a way as to expand its areas of responsibility and increase its strength in coordinating Illinois higher education.

This paper contains historical data which have been used to describe the development of the statutory requirements of the Illinois Board of Higher Education from 1961 through 1979. Emphasis has been placed on the Board's obligations for program review, budget review, and master planning. The courses of action chosen by the Board and a description of its responsibilities as a coordinating agency are examined through enabling legislation and subsequent amendments, the Board's and its staff's interpretation of the statutes, and the factors affecting the Board's legal responsibilities.

THE MOVEMENT TOWARD COORDINATION IN ILLINOIS HIGHER EDUCATION

In 1913 the Illinois General Assembly created the Committee on Efficiency and Economy for the purpose of consolidating state government.[1] The Fairlie Report, named after the director for the Committee's investigatory work, recommended a greater centralization of higher education. In 1917 the General Assembly passed legislation to consolidate the State's five normal schools under one governing board, the Teacher's College Board. The State's only land grant institution maintained independence under its own governing board.[2] After 1917 there was virtually no formal movement toward the coordination of higher education in Illinois until the early 1940s.

The earliest attempt to discuss and coordinate Illinois higher education institutions occurred through a loosely organized voluntary agency known as the Illinois Joint Council on Higher Education. It originated in the early 1940s through a meeting of college and university presidents who met to discuss issues common to all of the institutions. The Joint Council did not formalize its operations until it had adopted a "plan of operation" in May, 1952.[3] The creation of the Joint Council represented a major step in the direction of coordinating higher

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[1]Illinois, General Assembly, Report of the Efficiency and Economy Committee (Chicago: The Windermere Press, 1915), p. 13.

[2]Many of the reports recommending some form of statewide coordination also recommended a gubernatorially appointed governing board to replace the elected governing board of the University of Illinois. To date, the University of Illinois continues to have a popularly elected governing board.

[3]Illinois Joint Council on Higher Education, "Plan of Operation for the Illinois Joint Council on Higher Education" (n.d.), p. 1. Mimeographed.

education. Although the agency lacked formal authority, it enhanced the cooperation of the presidents and the institutions. It attempted (a) to provide an opportunity for the presidents to know each other better, (b) to promote cooperation and respect, (c) to sponsor surveys, and (d) to promote an understanding of issues common to all Illinois higher education institutions.[4] Without legislative authority and with the need for unanimous support for all actions taken, the Council was unable to effectively coordinate higher education.

By the time the Joint Council formalized its operations, the General Assembly and the Governor had sponsored research studies on Illinois higher education. In 1945 the General Assembly passed legislation creating a Commission to Survey Higher Education Facilities in Illincis. This legislation represented a compromise between Southern Illinois Normal University (SINU) and the University of Illinois (U of I) and their respective legislative supporters. The University of Illinois supporters conceded to legislation granting SINU the authority to grant liberal arts degrees. Southern Illinois Normal University's supporters conceded a bill that would have changed its name and supported the legislation creating a commission to survey higher education, a U of I sponsored bill. The Peters Commission, named after Senator Everett R. Peters, recommended the creation of one statewide governing board for higher education. The Commission also recommended the establishment of public junior colleges, the establishment of standards for new private institutions, the support of state scholarships, and the

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[4]Hobart Heller, "Review of Basic Purposes and Objectives of the Joint Council" (May 4, 1965), p. 1.

support of teacher education.5

Shortly after the release of the Peters Commission Study, Governor Adlai Stevenson employed John Dale Russell, Director of the Division of Higher Education, Office of Education, Federal Security Agency, to conduct another study on Illinois higher education. The Russell Report, published in 1950, suggested five alternatives for coordinating Illinois higher education. The alternatives ranged from keeping the status quo to the creation of a state board of education with control over elementary, secondary, and higher education. The most moderate approach to coordination was reflected in Alternative III, the creation of a board for higher education to coordinate public higher education.[6]

The publication of the Russell Report stimulated a quick response from George D. Stoddard, President of the University of Illinois. In two memorandums to the U of I Board of Trustees, President Stoddard's views were patterned after the California system of public higher education with the University of Illinois at the head of the system.[7] Representatives of Southern Illinois University and the U of I prepared summary reports on the previous studies on Illinois higher education. By the early 1950s the predominant theme of the studies and reports focused on some form of statewide coordinating or governing agency.

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[5]George A. Works, "Report of the Commission to Survey Higher Education Facilities in Illinois" (January, 1945), p. 13.

[6]Federal Security Agency, Office of Education, Division of Higher Education, Report of the Study of the Structure of the State Tax-Supported System of Higher Education in Illinois (Washington, D.C.: Federal Security Agency, December, 1950), pp. 54-55.

[7]Jacob O. Bach, "A Special Report for the Board of Trustees, Southern Illinois University Concerning Reorganization of the Control of the Publicly-Supported Colleges and Universities in Illinois" (October, 1955), p. 5. Mimeographed.; George D. Stoddard, The Russell Report: Memorandum to the Board of Trustees of the University of Illinois (Urbana, Illinois: University of Illinois, March, 1951), pp. 9-10.

Governor William Stratton appointed a Commission on Higher Education in 1954. In the following year the General Assembly passed Senate Bill 260 which gave the governor's commission statutory status. The Commission was designated to study the problems of public and private higher education. It established subcommittees on junior colleges, scholarships, and governing boards and a Technical Advisory Committee on College Age Population, Projections, and Enrollment Estimates. The Commission sponsored a study on "The Coordination of Higher Education in Illinois" written by A. J. Brumbaugh, Associate Director for University Studies at the Southern Regional Education Board. This study also supported the creation of a statewide coordinating board. Brumbaugh believed that the lack of a statewide coordinating board was due, in part, to the lack of strong leadership to promote coordination and the real or imagined fear of the public institutions of losing their autonomy.[8] When the Commission published its report in 1957, it recommended a program of state-financed scholarship aid for Illinois residents attending qualified Illinois higher education institutions. The General Assembly responded by creating the Illinois State Scholarship Commission. The Commission on Higher Education also recommended the enactment of legislation supporting public junior colleges and the establishment of a permanent commission for the study of higher education.

In 1957 the General Assembly created another Commission on Higher Education. The second Commission expired in 1961 with the passage of legislation establishing the Board of Higher Education. The second Commission published three annual reports, 1958, 1959, and 1960. In 1959 the Commission requested its Advisory Committee for the Cooperative

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[8]A. J. Brumbaugh, "The Coordination of Higher Education in Illinois, A Report to the Committee on Governing Boards of the State of Illinois Higher Education Commission"(September, 1956), pp. 1-4. Mimeographed.

Study of Public Institutions (the Illinois Joint Council on Higher Education) to prepare a study of the scope and function of public higher education including the growth and development envisioned between 1959 and 1975.[9] Three of the recommendations contained in the report emphasized recurrent ideas: public junior college support, interinstitutional cooperation and coordination, and the need for the continuing study of higher education.

In the year the Advisory Committee studied public higher education the General Assembly passed a bill requiring the Commission to recommend "a plan for the unified administration of all of the State-controlled institutions of Higher Education."[10] When the Commission published its 1960 Annual Report it recommended a state board for higher education. On February 1, 1961, Representative Paul J. Randolph introduced legislation for the creation of a strong statewide coordinating board. The bill, based on recommendations of the Commission on Higher Education, restricted board membership and access of the institutions to the governor and General Assembly. Criticism came swiftly from the institutions, particularly Southern Illinois University and the University of Illinois. Their legislative supporters introduced a second bill which would have created a weak coordinating board. This bill gave the proposed board advisory duties and left the staff work for research studies in the hands of the institutions.

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[9]Illinois Commission of Higher Education, Minutes, July 21, 1960; Letter from Richard G. Browne to Chairman Fred W. Heitmann, Jr., July 1, 1960; Richard G. Browne, The Scope and Function of Public Higher Education in Illinois to 1975; Report of the Committee to Recommend a State Plan for Public Higher Education in Illinois (July, 1960), p. 4.

[10]Letter from Robert Johns to Friends of the Commission of Higher Education (n.d.), p. 1.

By 1961 the public institutions of higher education knew they could no longer avoid some form of coordination. Their major concern was not over whether or not there would be a coordinating agency but over the power and duties of the proposed board. They placed more emphasis on lobbying against the proposed Commission proposal then they did in supporting their proposal for a weak board. On August 22, 1961, Governor Otto Kerner signed a compromise bill establishing the State Board of Higher Education. It received almost unanimous support in the General Assembly.

Pressure for the coordination of higher education in Illinois had been mounting for some time. The movement received greater attention in the 1940s and 50s through the research studies that were conducted. By 1961 many of the public institutions recognized the need for, or the inevitability of, a coordinating agency. The Teacher's Colleges and Southern Illinois University supported the enabling legislation with the expectation of obtaining parity with the University of Illinois.[11] Reluctantly, the University of Illinois supported the legislation for lack of anything more to their favor.[12]

An important factor contributing to the formation of the Board of Higher Education centered on the discontent of the members of the General Assembly over higher education lobbying efforts and the eruption of conflicts regarding higher education issues. These issues were fought, not along partisan political lines, but on regional borders divided by the institutions. The two most powerful geographical territories were represented

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[11]Interview with Professor Roland Keene, Department of Higher Education, Southern Illinois University.

[12]Interview with President Emeritus David D. Henry, Department of Higher Education, the University of Illinois.

by the Champaign-Urbana area where the University of Illinois is located, and the "downstate" area where Southern Illinois University is located. The Chicago metropolitan area served as a legislative teetertotter, sometimes supporting the University of Illinois and sometimes supporting Southern Illinois University. Commenting on the political situation in Illinois, former State Representative Paul Simon stated, "... by not having some type of coordination you put the legislature right in the field of curriculum where it has no business at all."[13]

In addition to the political situation, various inequalities existed among the higher education institutions. For example, in 1949-51 the University of Illinois received its budget in one large sum with subject classification while the teacher's colleges received appropriations based on a line item budget. In that year the teacher's colleges were ordered to cut their appropriations by ten per cent. The University of Illinois did not receive any fiscal limitations.

An often quoted explanation for statewide coordinating agencies is the theory that it will save the state money by avoiding program duplication. Dr. Richard G. Browne and Boyd R. Keenen, author of The Governance of Illinois Higher Education, found little program duplication or proliferation of esoteric programs.

Other popular arguments for statewide agencies included the rapidly expanding enrollments of the 1960s, the increasing size and complexity of higher education, the changing trends of public and private college populations, and the improvement of the availability and quality of higher education. These arguments drew the attention of Illinois

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[13]"Transcript of the testimony to the Illinois Commission of Higher Education," (November 13, 1959), p. 21.

legislators, Governor William G. Stratton, who helped to set the stage for a board of higher education, and Governor Otto Kerner, who supported legislation creating the Board.

The enabling legislation passed by the General Assembly and signed into law on August 22, 1961, contained three primary responsibilities for Illinois higher education: program review or modification of new units of instruction, research, or public service; budget review and recommendations; and master planning. The following pages describe the Board's activities in these and other areas as amended by the statutes. An analysis of the statutes will help one to understand the development of the Board's role in Illinois higher education.

NEW PROGRAM AUTHORIZATION

The Board's only real area of control lies in its responsibilities for new program approval, modification, or disapproval. Its budget and master plan recommendations cannot become effective until supported through legislation in the General Assembly. However, the Board is given the authority to review new units of instruction, research, or public service which includes the establishment of a college, school, division, institute, department or other unit in any field of instruction, research, or public service not currently included in the institution requesting a new program.[14]

Shortly after taking on the responsibilities of the Board's first executive director and only staff member for the Board's first few months of operation, Richard G. Browne directed his attention toward the

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[14]Ill. Rev. Stat. 144 § 187 (1977).

establishment of guidelines for program approval. Prior to the establishment of guidelines some of the public institutions pushed through many new programs. One institution added ten doctoral programs between August 1961 and March 1962.[15]

In February 1962 Dr. Browne circulated a draft of program guidelines, narrowly defining reasonable and moderate extensions of existing programs and thus giving the Board broader authority. Those programs falling under the aegis of reasonable and moderate extensions of existing programs are not included in the Board's review of new programs. All new programs, whether or not they require Board approval, are required to be reported to the Board. The guidelines were amended on March 1962 to require research and public service activities with annual operating expenditures from any source(s) exceeding $250,000 to receive Board approval. The original guidelines required research and service activities with annual operating budgets over $50,000 in state funds to receive approval. Because these figures have remained constant and the effects of inflation have increased the size of grants, the Board has effectively required those research projects to come under its review which would not have had to be approved in 1962. This same policy has been instituted for community colleges. The Board has effectively reduced the number of community college requests for research approval. This is due in part to different missions, types of research, and the application of the same financial standards to distinctly different types of institutions.

As the Board staff developed, it refined the procedures for program

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[15]Interview with Richard G. Browne, first executive director of the Illinois Board of Higher Education.

review and approval. It expanded the Board's role through Board approval of staff recommendations, some of which included legislative amendments. In a preliminary draft of the Board's first master plan the Board recommended that it be given the authority to order the discontinuance of programs not "educationally or economically justified."[16] The word "order" was replaced by the word "advise," and during approximately the first five years the Board paid relatively little attention to its additional responsibilities.

These early years were spent developing budget formulas and the Board's first two master plans. By 1969 the State had elected a new administration and the Board had a new chairman, George L. Clements, and a new executive director, James B. Holderman. The Holderman staff placed greater emphasis on the review of existing programs. This action was taken during a period of budget restrictions in Illinois higher education as a resource for new program funds. The Board staff established low program priority lists and made budget recommendations accordingly. Budget sanctions were utilized to foster new programs that supported the Board staff's high priority programs. This interpretation of the statutes and implementation of the Board policy increased the Board's control without legislative support from the General Assembly.

The emphasis placed on program review subsided after the resignation of Holderman and Clements and after the succeeding administration moved to Springfield. As funds and projected enrollment become more scarce for higher education in the 1980s, the Board has once again turned its attention to program review as a source for additional revenue.

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[16]Illinois Board of Higher Education, A Provisional Master Plan for Higher Education in Illinois (Springfield: Illinois Board of Higher Education, March, 1964), p. 35.

In June 1979 the Board added quantitative measures to the guidelines for program review. These additional guidelines were passed by the Board without staff consultation or study. They established a minimum number of students and graduates per year for degree programs. The Board staff is in the process of implementing this new Board policy. The details have yet to be ironed out.

The Board has also placed moratoriums on certain programs. This began in 1972. Moratoriums on new doctoral programs were continued through 1975. In January 1977 the Board declared a moratorium on new graduate professional education programs in the Chicago metropolitan area. The Board has asked Illinois private higher education institutions to voluntarily comply with these moratoriums. It has generally received the cooperation of the private colleges and universities.

PLANNING ACTIVITIES

The private institutions have also shared their institutional information and their employees' time and talents with the Board in its responsibilities for master planning. When the Board staff began to prepare for the first statewide master plan in 1962, it included public and private institutional representatives or their supporters on the eleven technical committees and three advisory committees. The first master plan took into consideration approximately ninty-four per cent of all the post high school institutions. The staff excluded proprietary and specialized institutions such as seminaries and art institutes.

Completed in 1964, the first master plan for Illinois higher education took approximately two years to develop. Although the process was aided by technical and advisory committees and public hearings, the final

plan was primarily the design and work of Executive Director Browne and Lyman A. Glenny, who at the time served as planning assistant to the executive director.[17] A provisional master plan was adopted by the Board on March 3, 1964. Public hearings followed in April, May, and June with Board approval of the amended master plan on July 7, 1964.

From the forty-eight recommendations, six important concepts emerged that enhanced the Board's responsibilities for higher education. The Board recommended and the General Assembly followed through with legislation supporting four of the six concepts: the establishment of minimum admission standards for public colleges and universities, the creation of a state guaranteed student loan program, the creation and public financial support of a community college system, and the consolidation of Illinois public higher education, i.e. the purchase of the Chicago Teacher's Colleges and placement of the community colleges in the realm of higher education under the coordination of the Board. The Board also recommended the permanent continuation of the three advisory committees to the Board. This helped to broaden the Board's input. The first master plan received broad support. It gave the Board new responsibilities and reaffirmed its role in statewide planning. This role was challenged by Southern Illinois University and particularly the University of Illinois and the private higher education sector led by Milburn "Pete" Akers. With the support of the governor and the General Assembly, the Board was able to define its planning role and the role of the institutions' planning activities.

Master Plan--Phase II was conceived as an extension of the first

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[17]Interview with Richard G. Browne.

master plan and the planning process. It occurred during a period of rapid enrollment increases, inflation, enrollment decline in private institutions, and war. Executive Director Glenny, with the input of five interinstitutional technical advisory committees, prepared the first draft. Unlike the provisional master plan drafted by the Board prior to final adoption of the first master plan, the Board treated the draft of Master Plan--Phase II as a staff paper. The contents of the draft stimulated great controversy on many fronts. Technical Advisory Committee N (Governance) recommended that Illinois higher education "be organized into five 'systems,' each with its own governing board."[18] Each system was to have a chancellor as its chief executive officer with each institution or subsystem to be under a president. Southern Illinois University and the University of Illinois reacted very negatively toward the committee's report. Its recommendation was not included in the master plan nor enacted into law; however, the "system of systems" concept has become a fait accompli through the legislative support of other recommendations and other master plans.

Another area of controversy in Master Plan--Phase II focused on the private higher education sector. Committee M (Demography and Location) recommended the construction of four new public senior institutions. The private institutions led by Pete Akers, Executive Secretary of the Federation of Independent Illinois Colleges and Universities and a member of the Board of Higher Education, led the attack on the committee's recommendations. One basis for the Federation's arguments centered on their perceived ability to absorb the proposed increase in enrollments.

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[18]Illinois Board of Higher Education, "Report of Committee N" (1966), p. 19.

The Federation lobbied for increased scholarship funding and tuition aid programs to make private higher education a realistic alternative for Illinois residents. When the Board approved the final draft of the second master plan, the Board recommended the creation of two new public senior institutions and increased state scholarship funding. The Board recommended an increase in student aid funds of $20 million. The Federation lobbied with the legislature which eventually passed an increase in student aid funds to $35 million. Some of the private institutions declared this a defeat for the Board; however, the Board did get legislation passed creating two new institutions. The Board was also charged with the establishment of the governance structure for these institutions. Consequently, the Board, through the cooperation of the General Assembly, created another governing board and divided the public universities into four governing systems and the community college governing boards under the coordination of the Illinois Community College Board. All public institutions and the Illinois Community College Board are under the the coordination of the Board of Higher Education. This system is similar to the one proposed by Committee N.

An important recommendation which did not create much attention authorized the Board to accept and distribute Federal and State funds to public and private institutions as part of its master planning responsibilities. This has been supported by Illinois governors who appointed the Board as the administering agency under certain Federal higher education legislation. Over the years these new responsibilities have given the Board a certain amount of control over Federal and State funds for public and private higher education. The Board has been designated as the State's Postsecondary Education Commission to fulfill the requirements of Section 1202 of the 1965 Higher Education Act.

The succeeding two master plans, Phases III and IV were not surrounded with as much controversy as that found in Phase II. Master Plan--Phase III was developed under a different Board, staff, and administration. It was intended to give "specific direction" to the public institutions in order for their scopes and missions to be coordinated into a statewide system of higher education.[19] Executive Director James B. Holderman set the tone and direction for Master Plan--Phase III in his early executive director's reports. He placed an emphasis on solving the country's social problems and on expanding higher education opportunities.

In addition to the Board's permanent advisory committees, the staff created nineteen technical committees consisting of a total of 260 members. Committee N was reconstituted. It recommended separate presidents for each campus and attempted to decentralize the University of Illinois' governing structure by recommending autonomous status for each campus.[20] The committee reaffirmed the "system of systems" concept. During the public hearings concern was expressed over the Board's trend toward the centralization of governance and decision making. When the Board approved the third draft of Master Plan--Phase III the recommendations for changes in the governance structure had been amended and scaled down.

The institutions found more to worry about than Committee N's recommendations. The Board approved the establishment of a Collegiate

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[19]Illinois Board of Higher Education, Fifth Biennial Report 1969-1970 (Springfield: Illinois Board of Higher Education, n.d.), p. 6.

[20]Boyd R. Keenan, Governance of Illinois Higher Education 1954-74 (Urbana, Illinois: Institute of Government and Public Affairs- U of I, 1975), p. 58; Carol E. Floyd, "The Politics of Public Higher Education Coordination: Illinois Cases: (Ph.D. dissertation, University of Illinois at Urbana-Champaign, 1976), p. 101.

Common Market Task Force to "study and to the extent possible recommend implementation of a Collegiate Common Market that utilizes the existing and developing resources of the public and private sectors to broaden and maximize educational opportunities and reduce duplication."[21] The concept focused on expanding educational opportunities through existing resources coordinated by the Board or its designated committee. This concept was supported by another recommendation calling for the establishment of seven graduate education centers offering programs at the doctoral level.

Master Plan--Phase III contained recommendations to phase out all programs not included in the scope and mission of each institution, and a moratorium on new Ph.D. and specialist degree programs. Never before had the Board taken such an active role in program review. All of this activity fell well within the Board's statutory responsibilities.

One very important recommendation made by the Board and passed by the General Assebmly established an Illinois precedent by giving direct financial aid to private institutions. The funds are based on an Illinois student resident formula designed by the Board. The legislation enforcing the Board's recommendation continues to the present day. It has helped to maintain the private institutions and the diversity of educational opportunity in the State. The Board's involvement with the private sector was further strengthened in 1978 when the governor signed legislation giving the Board degree granting authority for private colleges and universities.

The last master plan produced by the Board was conducted under two executive directors and differed from the other three plans in its procedures. Cameron P. West, the executive director who initiated Master Plan--Phase IV relied on the expertise of the Board staff and

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[21] Illinois Board of Higher Education, Master Plan--Phase III (May, 1971), p. 11.

members of the public and private institutions. The Board staff held three public conferences in the early phases of the master plan in addition to holding public hearings after a draft had been prepared. From the first three conferences, seventeen study issues were identified and researched. Once again Committee N was reconstituted. It supported the "system of systems" concept and made recommendations suggesting that the Board be composed of all lay members and that it should establish a means to identify candidates to be appointed to the various public governing boards for the public colleges and universities. These recommendations were not contained in Master Plan--Phase IV.

Executive Director West resigned while the staff prepared a draft of Master Plan--Phase IV. Within a month James M. Furman continued to carry out the planning process begun under West's administration.

The most controversial issue in Master Plan--Phase IV occurred over the recommended tuition policy. The Board recommended that tuition charges for undergraduate residents be maintained at one-third of undergraduate instructional costs by FY 80 and that tuition charges for resident and nonresident graduate students be maintained at 133 1/3 per cent of undergraduate instructional costs by FY 80. The attempts by the Board and its staff at enforcing these recommendations, which did not receive statutory backing, are described in the following pages.

One recommendation that did not receive much fanfare has had a directional impact on the Board's planning process. This recommendation called for the Board to conduct its planning on a continuing basis. The Board has been conducting individual studies since 1976 which collectively could be called Master Plan--Phase V. It is part of a continuing process which has had and will continue to have impact on Illinois higher education.

One of the latest studies changed the Board's tuition policy from a formula based charge to tying current tuition levels to the annual Higher Education Price Index. The maximum limit for undergraduate resident tuition is not to exceed one-third of undergraduate instructional costs. The Board's area of influence over tuition charges comes in the formulation of its budget recommendations.

BUDGET REVIEW

In 1962 the State made its appropriations on a biennial basis. Each of the institutions had their own funding formulas and interpretation of the State's requests. This made it extremely difficult for the General Assembly to interpret budget requests without the appropriate support staff.[22] The General Assembly expected that the public would be "better served by appropriations influenced by the BHE [budget] experts than by the outcome of university presidents' direct lobbying in Springfield."[23] The Board hired the Arthur Anderson Company, a national certified public accounting firm, to reclassify the financial reporting of the public higher education institutions. In the meantime the Board staff analyzed each of the institutions's budget requests for the 1963-65 biennium. The staff's and Board's recommendations were based on statutory increases, biennial overlap, salary adjustments, enrollments, increased costs, and new programs and improvements. The staff did not have the time or enough members to coordinate all of the budgets into a unified formula for the 1963-65 biennium.

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[22] Interview with Richard G. Browne.

[23] M. M. Chambers, Higher Education and State Governments, 1970-1975 (Danville, Illinois: The Interstate Printers and Publishers, Inc., 1974), p. 84.

After the General Assembly made its 1963-65 appropriations, the Board sponsored a conference to discuss budget procedures for 1965-67. At that conference a Budget Formula Committee was created to refine the Board's budget review procedures. The committee consisted of Board staff members and representatives of the institutions. This committee focused its attention on operating expenses. In 1969 the Board created the Physical Facilities Budget Committee to analyze capital budget requests. The members of these committees have labored over the years to create a unified, systematic approach to budget formulation.

Later the Board hired a consultant to develop a Program Planning and Budgeting System (PPBS). The report which followed in 1972 helped the Board staff to develop its own PPBS in the form of a Resource Allocation and Management Plan (RAMP). This budget formation process is used for operating and capital requests. It has been improved and fine-tuned since 1972. RAMP has enabled the Board to further systematize and centralize the budget requests and review.

In 1965 the General Assembly amended the statutes by requiring the Board to consider the rates of tuition and fees of public institutions when recommending higher education budgets. This legislation grew out of recommendation thirty-nine in the Board's first master plan which recommended that it consider tuition and fees in its budget recommendations and that it be authorized to establish general policies regarding "charges for extension and adult education courses and for public services."[24] The Board requested a comprehensive study on tuition costs and their relationship with the total costs of higher education.

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[24]Illinois Board of Higher Education, A Master Plan for Higher Education in Illinois (July, 1964), p. 63.

In 1968 the Board staff produced the first of seven tuition study reports. The 1968 study recommended a tuition level of twenty per cent of observed undergraduate instructional costs. This was amended by a 1970 study which recommended that Illinois undergraduate residents pay one-third of undergraduate instructional costs and that graduate students pay 133 1/3 per cent of observed undergraduate instructional costs. Another tuition report in 1975 expanded the Board's role over tuition considerations to include charges for the medical, dental, and veterinary medical prcfessions. The latest report issued in 1979 changed the tuition policy from a percentage formula based on instructional costs to a tuition base year tied to the fluctuation of the Higher Education Price Index. The Board has been consistent in its tuition philosophy since its first tuition study issued in 1968. The Board staff, and to a large extent the Board, maintains that students are the prime benefactors of a formal education and that they should share a part of the costs of their education.[25]

The Board staff has attempted to take a systematic approach toward the tuition issue. The governing boards continue to have the legal authority to set tuition and fee scales. In order for the Board to effectively implement their tuition policies it has utilized budget sanctions. The former acting chancellor of Southern Illinois University summed up the public higher education sector's views toward the Board tuition policies by stating "We [the Board] have a recommendatory policy. If you don't follow it, your budget will suffer."[26] The Board and its

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[25]Interview with Executive Deputy Director Richard D. Wagner.

[26]James M. Brown, "Comments on IBHE FY 77 Budget Recommendations" (January 6, 1976), p. 2.

staff received pressure against its tuition policy from the public institutions. At the same time it received pressure from the private sector to raise public tuition rates thus making private higher education more competitive with the public sector.

From 1963 through 1969 the General Assembly approved all but one of the Board's recommended operating and capitol budgets for higher education. The one exception was a budget cut of approximately $120,420 out of the total appropriation of $45 million for the public community-junior college budget. By 1970 a combination of events had occurred to change the financial climate for Illinois higher education. In 1969 a Republican administration occupied the governor's office and a new Board chairman and executive director were chosen. At this time the State was in debt approximately one billion dollars. The new governor, Richard B. Ogilvie, wanted state expenditures reduced. Two of his lowest priorities were public welfare and higher education.

Governor Ogilvie's expertise in budget preparation was aided by the creation of the Bureau of the Budget as part of the governor's office. This new office was charged with analyzing all budget requests and ensuring that they conformed to the governor's total State budget. The General Assembly also changed appropriations from a biennial calendar to an annual calendar. This permitted the Board, the Governor, and the General Assembly to approximate budget needs with greater accuracy. Perhaps the strongest advantage given to Governor Ogilvie over his predecessors was the use of a line item veto provided in the 1970 State Constitution.

The governor used his new veto power to cut higher education budgets to within his maximum allocation for the higher education portion of the State budget. The Ogilvie administration marked a change in

philosophy of the Board of Higher Education. Prior to 1970 the Board represented the interests of Illinois higher education to the General Assembly and the governor. From 1969 to 1974 the Board tended to represent the governor and General Assembly to the public higher education community. During this period of the Board's history it attempted to use program priorities and budget sanctions as sources for additional funds. The Board was faced with the institutions requesting budget increases and the governor demanding budget cuts. This was a particularly difficult period for the Board of Higher Education. The situation did not reverse itself after the passage of a state income tax nor immediately after the people of Illinois elected a new governor. The 1970s marked a change in the trend of public higher education budgets and a challenge to the Board and to the institutions to find areas where budgets could be reduced and areas for legitimate increases.

The establishment of program priority lists and budget sanctions was not successful. The University of Illinois refused to go along with program priority lists. Most of the other institutions were slow to respond to the Board's program priority request. The Board did however succeed in using budget sanctions to enforce its tuition policies and to establish capital priorities for funding. The Board has established guidelines and procedures for the development of capital priority lists. These lists and guidelines are used in the State financing of capital projects. Other priority lists have been established by the Board in fulfilling its role as an administering agency for special State and Federal funded projects.

AMENDED RESPONSIBILITIES FOR THE
BOARD OF HIGHER EDUCATION

In May 1964 Governor Otto Kerner designated the Board of Higher Education as the State commission to administer the provisions of the Federal Higher Education Facilities Act of 1963 as it pertains to Illinois. Under this act each participating state was required to establish statewide plans and facility priority lists for public and private higher education. The Board designated the Committee on Cooperation of the Illinois Conference on Higher education and the Physical Facilities Technical Advisory Committee to help prepare a statewide plan for facilities and guidelines for priority lists. The Board continues to administer this Act.

Shortly after the General Assembly gave the Board statutory authority to distribute funds made available through Federal, State, or public and private agencies, Governor Kerner designated the Board to administer Title VI, Part A of the 1965 Higher Education Act. This Act provides equipment for undergraduate instruction. The governor also assigned the Board as the state commission to administer Title VIII of the 1964 Housing Act which provides funds for community development training programs. The Board was also given the responsibilities for administering Titles I and VII of the 1965 Higher Education Act. Title VII superceeded the 1963 Higher Education Facilities Act.

In 1974 Governor Daniel Walker delegated the Board to serve as the State's Postsecondary Education Commission, known as a 1202 Commission. Section 1202 of the 1965 Higher Education Act provides Federal funds to states for studies on issues related to higher education.

In addition to administering Federal programs on a statewide level the Board has been delegated responsibilities for state initiated programs.

Master Plan--Phase II recommended the establishment of a graduate education center in the Quad-Cities area (Moline, East Moline, and Rock Island, Illinois and Davenport, Iowa). The General Assembly supported the Board recommendation by passing House Joint Resolution 63. This resolution required the Board to create an interinstitutional committee consisting of the appropriate member of public and private institutions and their governing boards in Illinois and Iowa. This was supported by the passage of the Higher Education Cooperation Act. This Act provides state funds for interinstitutional cooperative programs. Through the establishment of guidelines and procedures the Board administers these funds.

Since 1970 the Board has been responsible for the administration of state funds to private health institutions. The funds for this program are appropriated by the General Assembly through the Health Services Education Grants Act.

All of the Board's additional responsibilities for administering Federal and State funds include public and private institutions. Thus far proprietary schools have been excluded from Federal and State funds under the Board's jurisdiction. Most of the legislation generating funds for higher education on a statewide level require a state commission, a statewide plan, including public and private institutions, guidelines, and priority lists. In many cases the Federal government must approve the statewide plans and guidelines under a particular act before releasing funds.

Lanier Cox conducted a study on the impact of Federal programs on statewide planning. He noted that the responsibilities for the administration of Federal programs increased the influence of statewide coordinating boards. He attributed this influence to an "increased leadership rate,

the strengthening of the planning function, and to the 'natural tendency to take more seriously an agency with funds to allocate.'"[27] Since the Board of Higher Education began to administer Federal and State funds, its staff and budget have increased.

The enabling legislation creating the Board of Higher Education requires the Board to "engage in a continuing study, analysis, and evaluation of the master plan so developed...."[28] The Board has taken its planning responsibilities seriously. It has become involved in the preparation of national reports and surveys. It participates with the National Center for Education Statistics for its "Higher Education General Information Survey" and with regional coordinating boards such as the Western Interstate Commission for Higher Education.

Through master plan recommendations the Board has initiated many of its own statewide studies. The Board's Health Education Master Plan is a primary example of a major study initiated by the Board. The Board recommended state funding for a health education study in its first master plan. The General Assembly followed through by appropriating funds for a study of education in the health fields. The study took over two years to complete. The two volume report contained many new and controversial concepts. Among the recommendations made were: state aid to private medical schools and hospitals and the establishment of a permanent Health Education Commission for long-range coordination of education in the health fields. A recommendation by the Health Education Commission resulted in the establishment of the Health Services Education Grants

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[27]Lanier Cox, The Impact of Federal Programs on State Planning and Coordination of Higher Education (Atlanta, Georgia: Southern Regional Education Board, 1969), p. 171.

[28]Ill. Rev. Stat. 144 § 186 (1977).

Act and the Fifth Pathway Program. In Fiscal Year 78 the Board administered over $11 million under these two programs.

In 1967 the General Assembly passed a bill authorizing the governor to appoint a commission to study private higher education, how it relates to the public sector, and how the "State can aid the private institutions in the fulfillment of their tasks."[29] The recommendations in the report "Strengthening Private Higher Education in Illinois" focused on appropriating state funds to private institutions. The Commission also recommended that the Board be established as the administering agency for the financial assistance programs to private colleges and universities. In 1969 the General Assembly passed the Illinois Financial Assistance Act for Non-public Institutions of Higher Learning. It gave direct aid to private institutions and made the Board the administrator of the funds. In Fiscal Year 78 the Board oversaw the administration of over $8 million in state aid to the private institutions.

Through the administration of funded programs and the responsibilities for conducting research studies, the Board has effectively increased its coordinating strength over public and private colleges and universities. Most often its added responsibilities grow out of its own recommendations and are, more frequently than not, supported by the Illinois General Assembly.

SUMMARY

The Illinois Board of Higher Education is a lay board designated as the State's coordinating agency for higher education. Although the statutes

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[29]Illinois Board of Higher Education, "Staff Preliminary Review of the Commission Report: 'Strengthening Private Higher Education in Illinois'" (April 1, 1969), p. 1.; IBHE, Minutes (April 1, 1969).

define the Board as a coordinating agency, it functions as a conglomerate. The Board is a coordinating board; but, it is also a quasi-governing board, a Federal and State agency, an arm of the executive and legislative branches of state government, and a spokesman for higher education. The Board's increased strength since 1961 comes not only from statutory amendments, but also from a certain amount of abdication of responsibility from the legislature, interpretation of Board policies and procedures, and the implementation of these policies and procedures.

Reflecting on the Board's history and the history of Illinois education, Richard G. Browne stated that the Board had put "order and unity into the system" of Illinois higher education.[30] Browne and Lyman Glenny supported the concept of a strong coordinating board. At the Eighth Annual College Self-Study Institute, Glenny stated that additional Board authority in the areas of minimum admission standards, approval or disapproval of nonacademic construction projects, the establishment of minimum tuition and fees, and program discontinuance are necessary to implement the Illinois planning process.[31] These are examples of areas where the Board and its staff have broadly interpreted and implemented its planning and responsibilities. The use of priority lists for budget review has been utilized by the Board staff to curtail the higher education budgets as requested by various governors. It should be noted that the Board must answer to the governor and give him advice upon request. Board Chairman Heineman was quoted in the Chicago Tribune as stating that the

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[30]Illinois Board of Higher Education, Journal of the Illinois Board of Higher Education, No. 12 (February, 1972), p. 1.

[31]Lyman A. Glenny, 1966, "Politics and Current Patterns in Coordinating Higher Education," Paper presented at the 8th Annual College Self-Study Institute on Higher Education and the State, July 11-14, 1966, at the University of California, Berkeley.

Board was a "mediator or arbitrator among the conflicting forces at work on higher education."[32]

In his resignation letter from the Board, Chairman Heineman wrote:

> The Executive Director of the Board and his staff must be strong enough to resist the pressures of the college and university presidents and their institutions or there would be little or no possibility of the Board's being able to acquit itself in the public interest, given the realities of the conflicting institutional interests and the realities of the distribution of power among the institution.[33]

The strength and good relations among the Board members, the staff, the governors and legislators and their staffs have contributed to the success of the Illinois Board of Higher Education.

At the request of Board Chairman Donald M. Prince, Ben Hubbard, Professor of Educational Administration at Illinois State University, conducted a study on the Board's organization and operation. He made the following observation of the Board as perceived by the institutions.

> Officials of the governing systems under the BHE have gotten the message and, however strongly they have disagreed, they have seldom challenged the staff recommendations, but instead have attempted to negotiate with the staff rather than bring a fight to the Board, or else they have taken their recommendations back and, after negotiation, presented them in different forms. This is not meant to be critical of the staff, but instead to put into perspective the way its power is perceived.[34]

Hubbard's views reflect a majority of issues involving the Board and the colleges and universities. There are cases where institutions have aggressively struggled for and won a particular issue over the Board and favorable to the institution. In some cases the Board has altered

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[32]Casey Banas, "Urges More Cooperation by Colleges," Chicago Tribune (October 12, 1966), p. 1.

[33]Letter from Ben W. Heineman to Governor-elect Richard B. Ogilvie, December 31, 1968; IBHE, Minutes (January 7, 1969).

[34]IBHE, Minutes (September 9, 1975); Ben Hubbard, "A Report to the Board of Higher Education About Decision Making Processes, Communication, and Committees" (September, 1975), p. 10.

its position, i.e. the establishment of two new public institutions instead of four, the change in the first master plan recommendation from ordering program discontinuance to advising the termination of programs to the appropriate governing boards.

The success, strength, and survival of the Illinois Board of Higher Education cannot be attributed to one person or factor. The collective talents and close relationships among the governors, the Board, the Board staff, and particularly the Board chairmen and executive directors, have contributed to the development of the Board. The interpretation and implementation of the Board's policies and procedures have also contributed to the expansion of the Board's responsibilities. At this time in our history the educational and economic forecasts for the rest of the 20th Century are not favorable toward higher education. As higher education recoils from the 1960s and early 70s, statewide agencies will become increasingly involved in higher education issues. The developing role of the Board of Higher Education in Illinois reflects this trend.